

109TH CONGRESS
1ST SESSION

S. 1432

To amend the Higher Education Act of 1965 to improve the loan forgiveness program for child care providers, including preschool teachers, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 20, 2005

Mr. DEWINE (for himself and Mr. DODD) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

A BILL

To amend the Higher Education Act of 1965 to improve the loan forgiveness program for child care providers, including preschool teachers, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Paul Wellstone Early
5 Educator Loan Forgiveness Act”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

8 (1)(A) The first 5 years of a child’s life are a
9 time of momentous change.

1 (B) Research shows that a child's brain size
2 doubles between birth and age 3.

3 (2) New scientific research shows that the elec-
4 trical activity of the brain cells actually changes the
5 physical structure of the brain, and that without a
6 stimulating environment, a baby's brain suffers.

7 (3) Research also indicates that there is a con-
8 nection between the cognitive, social, emotional, and
9 physical stimulation young children receive from
10 their early childhood teachers and caregivers and
11 success in learning, school readiness, and intellectual
12 growth. There are important short- and long-term
13 effects of that stimulation on cognition and social
14 development.

15 (4) High quality early childhood education cor-
16 relates with better language development, mathe-
17 matics abilities, and social skills.

18 (5) 11,900,000 children younger than age 5
19 spend part of their time with a child care provider
20 other than a parent. By 2000, 64 percent of 3- to
21 5-year-olds were enrolled in some type of preschool
22 program. Demand for child care is growing as more
23 mothers enter the workforce.

24 (6) Good quality child care, in a healthy and
25 safe environment, with trained, caring providers who

1 provide age-appropriate, developmentally appro-
2 priate, and effective activities, helps children grow
3 and thrive. Recent research shows that most child
4 care needs significant improvement.

5 (7) Good quality child care depends largely on
6 the provider, yet providers of child care earn on av-
7 erage \$8.47 per hour, or \$17,610 per year. Such
8 earnings cause high annual turnover, up to 31 per-
9 cent of the staff in some child care programs. High
10 turnover affects the overall quality of a child care
11 program and causes anxiety for children.

12 (8) Children attending lower quality child care
13 programs and child care programs with high staff
14 turnover are less competent in language and social
15 development than other children.

16 (9) The quality of child care is primarily related
17 to high staff-to-child ratios, staff education, profes-
18 sional development, and administrators' prior experi-
19 ence. In addition, certain characteristics distinguish
20 poor, mediocre, and good quality child care pro-
21 grams, the most important of which are teacher
22 wages, education, and specialized training.

23 (10) Each State requires kindergarten teachers
24 to hold at least a bachelor's degree and certificate in
25 early childhood education. 20 States and the District

1 of Columbia require teachers in State prekindergarten
 2 programs to satisfy those requirements,
 3 which programs in many States are delivered in
 4 child care programs, schools, and Head Start programs.
 5

6 **SEC. 3. LOAN FORGIVENESS FOR CHILD CARE PROVIDERS.**

7 Section 428K of the Higher Education Act of 1965
 8 (20 U.S.C. 1078–11) is amended to read as follows:

9 **“SEC. 428K. LOAN FORGIVENESS FOR CHILD CARE PROVIDERS.**
 10 **VIDERS.**

11 “(a) PURPOSES.—The purposes of this section are—

12 “(1) to bring more highly trained individuals
 13 into the early childhood education profession; and

14 “(2) to keep more highly educated and trained
 15 early childhood educators in the early child care field
 16 for longer periods of time.

17 “(b) DEFINITIONS.—In this section:

18 “(1) CHILD CARE FACILITY.—The term ‘child
 19 care facility’ means a facility, including a home,
 20 that—

21 “(A) provides child care services; and

22 “(B) meets applicable State or local government
 23 licensing, certification, approval, or
 24 registration requirements.

1 “(2) CHILD CARE SERVICES.—The term ‘child
2 care services’ means activities and services provided
3 for the education and care of children from birth
4 until enrollment in kindergarten by an individual
5 who has a degree in early childhood education or a
6 closely related field, including a preschool teacher.

7 “(3) DEGREE.—The term ‘degree’ means an as-
8 sociate or baccalaureate degree awarded by an insti-
9 tution of higher education.

10 “(4) EARLY CHILDHOOD EDUCATION.—The
11 term ‘early childhood education’ means education
12 and development at the early childhood level, includ-
13 ing the cognitive, social, emotional, and physical
14 education and development of a child.

15 “(5) ELIGIBLE PRESCHOOL PROGRAM PRO-
16 VIDER.—The term ‘eligible preschool program pro-
17 vider’ means a preschool program provider serving
18 children younger than the age of compulsory school
19 attendance in the State that is—

20 “(A) a public or private school;

21 “(B) a provider that is supported, spon-
22 sored, supervised, or administered by a local
23 educational agency;

1 “(C) a Head Start agency designated
2 under the Head Start Act (42 U.S.C. 9831 et
3 seq.); or

4 “(D) a child care facility.

5 “(6) INSTITUTION OF HIGHER EDUCATION.—
6 Notwithstanding section 102, the term ‘institution of
7 higher education’ has the meaning given the term in
8 section 101.

9 “(7) PRESCHOOL TEACHER.—The term ‘pre-
10 school teacher’ means an individual—

11 “(A) who is working toward or has re-
12 ceived at least an associate degree in early
13 childhood education or who is working toward
14 or who has already received a baccalaureate de-
15 gree in early childhood education; and

16 “(B) who works for an eligible preschool
17 program provider supporting the children’s cog-
18 nitive, social, emotional, and physical develop-
19 ment.

20 “(c) LOAN FORGIVENESS.—

21 “(1) IN GENERAL.—The Secretary may carry
22 out a program of assuming the obligation to repay,
23 pursuant to subsection (d), a loan made, insured, or
24 guaranteed under this part, part D (excluding loans
25 made under sections 428B and 428C or comparable

1 loans made under part D), or part E for any new
2 borrower after the date of enactment of the Higher
3 Education Amendments of 1998, who—

4 “(A) receives a degree in early childhood
5 education;

6 “(B) obtains employment in a child care
7 facility, such as employment as a preschool
8 teacher; and

9 “(C) has been employed full time, for the
10 time period described in subsection (d), as a
11 provider of child care services in a child care fa-
12 cility that serves low-income children.

13 “(2) AWARD BASIS; PRIORITY.—

14 “(A) AWARD BASIS.—Subject to subpara-
15 graph (B), loan repayment under this section
16 shall be on a first-come, first-served basis and
17 subject to the availability of appropriations.

18 “(B) PRIORITY.—The Secretary shall give
19 priority in providing loan repayment under this
20 section for a fiscal year to student borrowers
21 who received loan repayment under this section
22 for the preceding fiscal year.

23 “(3) REGULATIONS.—The Secretary is author-
24 ized to prescribe such regulations as may be nec-
25 essary to carry out the provisions of this section.

1 “(d) LOAN REPAYMENT.—

2 “(1) IN GENERAL.—

3 “(A) BACCALAUREATE DEGREE.—In the
4 case of a new borrower who receives a bacca-
5 laurate degree in early childhood education,
6 the Secretary shall assume the obligation to
7 repay—

8 “(i) after the second consecutive year
9 of employment described in subparagraphs
10 (B) and (C) of subsection (c)(1), 20 per-
11 cent of the total amount of all loans de-
12 scribed in subsection (c)(1) and made after
13 the date of enactment of the Higher Edu-
14 cation Amendments of 1998, to such bor-
15 rower;

16 “(ii) after the third consecutive year
17 of such employment, 20 percent of the
18 total amount of all such loans; and

19 “(iii) after each of the fourth and
20 fifth consecutive years of such employment,
21 30 percent of the total amount of all such
22 loans.

23 “(B) ASSOCIATE DEGREE.—In the case of
24 a new borrower who receives an associate de-

gree in early childhood education, the Secretary shall assume the obligation to repay—

“(i) after the first year of employment described in subparagraphs (B) and (C) of subsection (c)(1), 20 percent of the total amount of all loans described in subsection (c)(1) and made after the date of enactment of the Higher Education Amendments of 1998, to such borrower;

“(ii) after the second consecutive year of such employment, 20 percent of the total amount of all such loans; and

“(iii) after each of the third and fourth consecutive years of such employment, 30 percent of the total amount of all such loans.

“(2) CONSTRUCTION.—Nothing in this section shall be construed to authorize the refunding of any repayment of a loan made, insured, or guaranteed under this part, part D, or part E.

“(3) INTEREST.—If a portion of a loan is repaid by the Secretary under this section for any year, the proportionate amount of interest on such loan that accrues for such year shall be repaid by the Secretary.

1 “(4) SPECIAL RULE.—In the case in which a
 2 student borrower who is not participating in loan re-
 3 payment pursuant to this section returns to an insti-
 4 tution of higher education after graduation from an
 5 institution of higher education for the purpose of ob-
 6 taining a degree in early childhood education, the
 7 Secretary is authorized to assume the obligation to
 8 repay the total amount of loans described in sub-
 9 section (c)(1) and incurred for a maximum of 2 aca-
 10 demic years in returning to the institution of higher
 11 education for the purpose of obtaining the degree in
 12 early childhood education. Such loans shall only be
 13 repaid for borrowers who qualify for loan repayment
 14 pursuant to the provisions of this section, and shall
 15 be repaid in accordance with the provisions of para-
 16 graph (1).

17 “(5) INELIGIBILITY OF NATIONAL SERVICE
 18 AWARD RECIPIENTS.—No student borrower may, for
 19 the same service, receive a benefit under both this
 20 section and subtitle D of title I of the National and
 21 Community Service Act of 1990 (42 U.S.C. 12601
 22 et seq.).

23 “(e) REPAYMENT TO ELIGIBLE LENDERS AND
 24 HOLDERS.—The Secretary shall pay to each eligible lend-
 25 er or holder for each fiscal year an amount equal to the

1 aggregate amount of the lender's or holder's loans that
2 are subject to repayment pursuant to this section for such
3 year.

4 “(f) APPLICATION FOR REPAYMENT.—

5 “(1) IN GENERAL.—Each eligible individual de-
6 siring loan repayment under this section shall sub-
7 mit a complete and accurate application to the Sec-
8 retary at such time, in such manner, and containing
9 such information as the Secretary may require.

10 “(2) CONDITIONS.—An eligible individual may
11 apply for loan repayment under this section after
12 completing the applicable years of qualifying employ-
13 ment described in subsection (d)(1). The borrower
14 shall receive forbearance while engaged in qualifying
15 employment described in subsection (d)(1) unless the
16 borrower is in deferment while so engaged.

17 “(g) EVALUATION.—

18 “(1) IN GENERAL.—The Secretary shall con-
19 duct, by grant or contract, an independent national
20 evaluation of the impact of the program assisted
21 under this section on the field of early childhood
22 education.

23 “(2) COMPETITIVE BASIS.—The grant or con-
24 tract described in paragraph (1) shall be awarded on
25 a competitive basis.

1 “(3) CONTENTS.—The evaluation described in
2 this subsection shall—

3 “(A) determine the number of individuals
4 who applied and the number of individuals who
5 were assisted by the program under this sec-
6 tion;

7 “(B) determine the number of individuals
8 who remain employed in an early childhood edu-
9 cation program as a result of participation in
10 the program;

11 “(C) identify the barriers to the effective-
12 ness of the program, including barriers related
13 to the dissemination of information about the
14 program;

15 “(D) assess the cost-effectiveness of the
16 program in improving the quality of—

17 “(i) early childhood education; and

18 “(ii) child care services;

19 “(E) identify the reasons why participants
20 in the program have chosen to take part in the
21 program;

22 “(F) identify the number of individuals
23 participating in the program who received an
24 associate degree and the number of such indi-

1 viduals who received a baccalaureate degree;
2 and

3 “(G) identify the number of years each in-
4 dividual participated in the program.

5 “(4) INTERIM AND FINAL EVALUATION RE-
6 PORTS.—The Secretary shall prepare and submit to
7 the President and Congress such interim reports re-
8 garding the evaluation described in this subsection
9 as the Secretary determines to be appropriate, and
10 shall prepare and so submit a final report regarding
11 the evaluation by not later than January 1, 2009.

12 “(h) AUTHORIZATION OF APPROPRIATIONS.—There
13 are authorized to be appropriated to carry out this section
14 \$25,000,000 for fiscal year 2006, and such sums as may
15 be necessary for each of the 4 succeeding fiscal years.”.

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